

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WOODLAND ESTATES	)	
SEWER SYSTEM FOR RATE ADJUSTMENT PURSUANT	)	CASE NO.
TO THE ALTERNATIVE RATE FILING PROCEDURE	)	89-109
FOR SMALL UTILITIES	)	

O R D E R

On April 19, 1989, Paul Butcher<sup>1</sup> filed an application for Commission approval of a proposed increase in the rates for sewer service provided to the customers of his Woodland Estates. The proposed rates for sewer service would generate additional annual revenues of \$1,493, an increase of 145 percent over reported test-year revenues.

In May 1989, Commission Staff conducted a field review of Mr. Butcher's test-period financial records. Based upon this review, Commission Staff issued its report on July 31, 1989, recommending a \$1,671 increase in the annual operating revenues of the Woodland Estates Sewer System.

By letter dated July 31, 1989, Mr. Butcher was advised to file comments on the Staff Report or request a hearing no later than August 15, 1989 or the case would stand submitted to the

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<sup>1</sup> Mr. Butcher is the owner and sole proprietor of Woodland Estates Sewer System. Woodland Estates Sewer System is not incorporated under the laws of Kentucky or any other state. For purposes of this Order, the names of Mr. Butcher and Woodland Estates Sewer System are used interchangeably.

Commission for decision. No comments on the Staff Report or requests for a hearing have been received.

The Commission, after considering the evidence of record and being sufficiently advised, finds:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A, attached hereto and incorporated herein, are the fair, just, and reasonable rates for service provided by Woodland Estates Sewer System and will produce gross annual revenues of \$2,698. These rates will allow Mr. Butcher sufficient revenues to meet his operating expenses, service his debt, and provide for future equity growth.

3. The rates proposed by Mr. Butcher would produce revenue below that found reasonable herein.

IT IS THEREFORE ORDERED that:

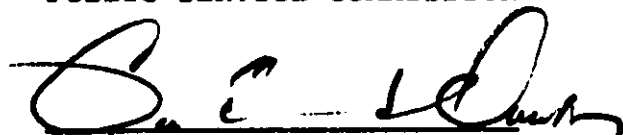
1. The rates proposed by Mr. Butcher in his application are hereby denied.

2. The rates contained in Appendix A are approved for service rendered by Woodland Estates Sewer System on and after the date of this Order.

3. Within 30 days of the date of this Order, Mr. Butcher shall file with the Commission his revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 23rd day of August, 1989.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

Executive Director

## **APPENDIX**

### **APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 89-109 DATED 8/23/89**

The following rates and charges are prescribed for the customers in the area served by the Woodland Estates Sewer System. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

**Monthly Rate**

**\$10.75**